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FISCAL IMPACT REPORT

SPONSOR Miera DATE 02-20-05 TYPED HB 628

SHORT TITLE UNM Latin American Outreach Program SB _____

ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$100.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation for the University of New Mexico in the General Appropriations Act.

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Public Education Department (PED)
New Mexico Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

House Bill 628 – Making an Appropriation to the Board of Regents of the University of New Mexico for the Center for Latin American Resources and Outreach Program – appropriates \$100,000 from the general fund to the Board of Regents of the University of New Mexico for expenditure in FY06 for the Center for Latin American Resources and Outreach Program. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues

CHE indicates that the Latin American and Iberian Institute (LAI) administers UNM's interdisciplinary programs in Latin American Studies and supports the university's Latin American and Iberian activities in all of UNM's eleven schools and colleges. LAI is a designated National Re-

source Center for Latin America (US Dept of Education Title VI) in a consortium with New Mexico State University's Center for Latin America and Border Studies.

LAI's Center for Latin American Resources and Outreach (CLARO) has an active K-12 teacher outreach program to support teachers as they expand students' awareness and understanding of Latin America. CLARO offers teacher in-service training workshops, a lending library of curriculum materials about Latin America, and a speakers bureau for expert presentations. CLARO focuses primarily on elementary through middle school education outreach.

CLARO offerings include a lending library of curriculum guides, videos, recordings, maps, and books which are available for loan and sale to local teachers and a Speakers Bureau scheduling graduate students and faculty for visits area schools to offer class presentations on Latin American themes, ranging from history, culture, literature, recent events, human rights issues, environment, etc. The Center also sponsors an Ibero-American Children's Poetry Contest and field trips for teachers and elementary and middle school students to the University of New Mexico.

CHE notes that his request was not in the list of priority projects submitted by the University of New Mexico to the CHE for review. Accordingly, the request was not included in the Commission's funding recommendation for FY06.

FISCAL IMPLICATIONS

The appropriation of \$100,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The University of New Mexico would retain oversight of this initiative.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to the appropriation for the University of New Mexico in the General Appropriations Act.

OTHER SUBSTANTIVE ISSUES

As general background to this issue, PED notes the following:

- For the 2004-2005 academic school year, 174,165 students (53.3% of all students) attending New Mexico public schools are Latino or of Hispanic descent (Source: ADS 40th-Day Report);
- Currently, there are 460 public schools in New Mexico implementing Bilingual Education programs in English and Spanish;
- There is a significant need to continue and expand services and resources for Latino students attending New Mexico public schools;

- UNM has been an leader in educating and preparing professionals in different disciplines to serve the needs of students of Latino or Hispanic descent;
- The Center of Latin American Resources Outreach has been supporting New Mexico public schools with resources, instructional materials and training for teachers; and

PED adds that if this legislation passes, New Mexico public schools serving Latino students will continue benefiting from the services provided by the Center.

CHE observes that higher education institutions receive indirect cost revenues from federal contracts and grants. This money is unrestricted in the sense that the governing board of the institution has the flexibility to choose which projects are supported with these funds. A great deal of this money is used as seed money to develop new research and public services projects at institutions. A portion of the indirect cost revenue, and earned overhead, is used to support items such as the salaries of the accountants responsible for monitoring the contract and grants, or for paying utilities and other expenses required to maintain the space where the contract and grant activities are housed. Further, that the higher education funding formula allows institutions to retain 100 percent of this indirect cost revenue. One of the purposes of retaining these funds is to provide seed money and matching funds for projects such as the one proposed in this bill.

CHE further suggests – assuming that funding will continue beyond FY06 – that consideration might be given to requiring the University of New Mexico to submit a plan for program evaluation, including specific program goals and criteria for assessing program effectiveness to the Legislative Finance Committee and the Commission on Higher Education by October 1, 2005. Further that the university should also submit a program evaluation to the Legislative Finance Committee and the Commission on Higher Education by June 30, 2008 detailing the benefits to the State of New Mexico from having this program implemented for a three-year period.

BFW/njw